

**LEBANON BOROUGH SEWERAGE AUTHORITY**  
**MINUTES**  
**FEBRUARY 2<sup>nd</sup>, 2017**

The meeting of the LEBANON BOROUGH SEWERAGE AUTHORITY was called to order by Attorney, Joseph Novak at 7:30 PM at the Boro Hall, 6 High Street, Lebanon NJ. The meeting was convened in compliance with the Open Public Meetings Act.

**MEMBERS PRESENT:** Edward Cichone, Richard Burton, John Saharic, Greg Crawford

Also present: Joseph Novak of Novak & Novak LLC, James Hill of Frey Engineering, William Colantano of BKC and Secretary Anita Weingart

The meeting was convened in compliance with the Open Public Meetings Act.

**REORGANIZATION**

**OATH OF OFFICE:** Gregory Crawford

Mr. Crawford has been nominated by Council to serve a 5 year term with LBSA. Mr. Novak administered the Oath of Office to Gregory Crawford of 1 Central St. Mr. Crawford's term as LBSA member expires 2/1/2022. **ALL AYES: MOTION CARRIED**

**NOMINATION OF CHAIRMAN:**

Mr. Burton moved and Mr. Crawford seconded the motion to nominate Edward Cichone as Chairman of LBSA for 2017. There being no further nominations, **ALL AYES: MOTION CARRIED**

The meeting was then turned over to Mr. Cichone, Chairman of LBSA

**NOMINATION OF VICE CHAIRMAN:**

Mr. Saharic moved and Mr. Crawford seconded the motion to nominate Richard Burton as Vice Chairman of LBSA for 2017. There being no further nominations, **ALL AYES: MOTION CARRIED**

**APPOINTMENT OF SECRETARY/TREASURER:**

Mr. Burton moved and Mr. Crawford seconded the motion to appoint Anita Weingart as Secretary/Treasurer for LBSA for 2017. **Roll Call Vote: All Ayes: Motion Carried.**

**APPOINTMENT OF Professional Engineer, Attorney and Auditor (subject to review and approval of contracts):**

Mr. Burton moved and Mr. Saharic seconded the motion to appoint Novak & Novak Law Office with Joseph Novak, Frey Engineering, LLC with James Hill and Bedard, Kurowicki & Co with William Colantano. **Roll Call Vote: All Ayes: Motion Carried.**

**RESOLUTIONS 17-04, 17-05 through 17-14**

**Mr. Burton moved and Mr. Saharic seconded the motion to adopt the following Resolutions: 17-04, 17-05 through 17-14. Roll Call Vote: All Ayes: Motion Carried.**

RESOLUTION 17-04  
"NON-FAIR AND OPEN"

WHEREAS, on January 1, 2006, the "New Jersey Local Unity Pay-To-Play" Law, *N.J.S.A. 19:44A-20.4 et. Seq.* became effective; and

WHEREAS, the Lebanon Borough Sewerage Authority has a need to award certain professional contracts for services required by the Authority in calendar year 2017; and

WHEREAS, the Pay-to-Play Law permits such services to be acquired through two processes, including the "non-fair and open" process as defined in *N.J.S.A.19:44a-20.7* on those contracts where it is anticipated that the total cost will exceed \$17,500.00; and

WHEREAS, the public good and interest of the citizens of the Borough of Lebanon will be best served by the "non-fair and open" process to secure experienced professional services, rather than the "fair and open" process of awarding a contract to the lowest bidder; and

WHEREAS, each professional will be required to first complete and submit a Business Entity Disclosure Certification.

NOW, THEREFORE, BE IT RESOLVED by the Chairman and Commissioners of the Lebanon Borough Sewerage Authority, as follows:

1. The following professional 2017 contracts shall be awarded under the "non-fair and open" process:
  - Authority Auditor

- Authority Engineer
- Authority Attorney
- Authority Insurance Agent
- Special Counsel for Garner Litigation

2. The said professional, prior to securing such contract, shall execute and file with the Secretary of the LBSA, a 2017 Business Entity Disclosure Certification pursuant to *N.J.S.A. 19:44A-20.8*.

RESOLUTION 17-05  
ALPHADOG WEBSITE MANAGEMENT

**WHEREAS**, a need has arisen to maximize Lebanon Borough Sewerage Authority's ability to be in compliance with the State of New Jersey's regulations in all departments for website management. AlphaDog will be utilized to maintain and create the Borough website for public notification of road projects, recreation projects, record retention, education needs and include Lebanon Borough Sewerage Authority's administration tasks; and

**NOW THEREFORE, BE IT RESOLVED** by the Lebanon Borough Sewerage Authority with regard to obtaining website management, the Administrator recommends engagement of AlphaDog to perform specific website services and associated services with a \$750.00 for a yearly maintenance fee sum not-to-exceed \$1,800.00 has been approved to be paid to the Borough of Lebanon or directly billed from AlphaDog. This will be billed \$150.00 monthly or quarterly. The contract is on file from 2016 for details.

RESOLUTION 17-06  
AWARD OF NON-FAIR & OPEN PROFESSIONAL SERVICES (**INSURANCE**) FOR THE YEAR 2017

WHEREAS, the Lebanon Borough Sewerage Authority has a need to retain certain professionals to provide various consulting services and it has been resolved to retain such services on a non-fair and open contract basis pursuant to the provisions of *N.J.S.A. 19-44A-20.5*; and

WHEREAS, the term of the professional contracts shall be one (1) year, commencing on January 1, 2017 and terminating on December 31, 2017; and

WHEREAS, the Lebanon Borough Sewerage Authority Secretary has determined and certified in writing that the value of each of these professional services may, in the aggregate, exceed \$17,500.00; and

WHEREAS, each professional will be required to complete and submit a Business Entity Disclosure Certification which will certify that the said professional consultant and their firm have not made any reportable contributions to a political or candidate committee in the previous year, and that their contract will prohibit the said professional consultant and their firm from making any reportable contributions through the term of the contract.

NOW, THEREFORE, BE IT RESOLVED by the Chairman and Commissioners of the Lebanon Borough Sewerage Authority, on this 2<sup>nd</sup> day of February, 2017, as follows:

1. The following professionals are hereby retained by the Lebanon Borough Sewerage Authority for the period of time commencing on January 1, 2017 through December 31, 2017 on a non-fair and open basis.
  - Public Entity Advocates – Insurance Agent
2. The Business Entity Disclosure Certification to be executed by each professional and the Secretary's Determination of Value shall be placed on file with this Resolution.
3. Each Contract is awarded without competitive bidding and the Chairman and Authority Secretary are authorized to execute Contracts for these professional services, and which Contracts are subject to review and approval by the Authority Attorney.

#### RESOLUTION 17-07

#### AWARD OF NON-FAIR & OPEN PROFESSIONAL CONTRACTS FOR THE YEAR 2017

WHEREAS, the Lebanon Borough Sewerage Authority has a need to retain certain professionals to provide various consulting services and it has been resolved to retain such services on a non-fair and open contract basis pursuant to the provisions of *N.J.S.A. 19-44A-20.5*; and

WHEREAS, the term of the professional contracts shall be one (1) year, commencing on February 2, 2017 and terminating on January 31, 2018; and

WHEREAS, the Lebanon Borough Sewerage Authority Secretary has determined and certified in writing that the value of each of these professional services may, in the aggregate, exceed \$17,500.00; and

WHEREAS, each professional will be required to complete and submit a Business Entity Disclosure Certification which will certify that the said professional consultant and their firm have not made any reportable contributions to a political or candidate committee in the previous year, and that their contract will prohibit the said professional consultant and their firm from making any reportable contributions through the term of the contract.

NOW, THEREFORE, BE IT RESOLVED by the Chairman and Commissioners of the Lebanon Borough Sewerage Authority, on this 2<sup>nd</sup> day of February 2017, as follows:

1. The following professionals are hereby retained by the Lebanon Borough Sewerage Authority for the period of time commencing on February 1, 2017 through January 31, 2018 on a non-fair and open basis.
  - Frey Engineering, LLC, James Hill, P.E. – Engineer
  - Bedard, Kurowicki & Co., CPA's, PC, William M. Colantano, Jr. – Auditor

- Novak & Novak, LLC, Legal Consultants
- 2. The Business Entity Disclosure Certification to be executed by each professional and the Secretary's Determination of Value shall be placed on file with this Resolution.
- 3. Each Contract is awarded without competitive bidding and the Chairman and Authority Secretary are authorized to execute Contracts for these professional services, and which Contracts are subject to review and approval by the Authority Attorney.

RESOLUTION 17-08  
WAIVER OF LATE FEES

WHEREAS, on occasion sewer users request a waiver of interest on past due accounts; and

WHEREAS, there are occasions when such requests have merit;

NOW, THEREFORE, BE IT RESOLVED, that the Lebanon Borough Sewerage Authority Secretary/Treasurer, is hereby given the authority to waive up to Fifty Dollars (\$50.00) in interest on past due accounts if she determines that the circumstances warrant a waiver.

RESOLUTION 17-09  
PAYMENT OF INVOICES IF MEETING CANCELLED

WHEREAS, in the absence of a regular meeting of the Lebanon Borough Sewerage Authority, which was required to be cancelled; and

WHEREAS, invoices for the operating expenses which would normally be approved for payment at said meeting should be paid in a prompt manner;

NOW, THEREFORE, BE IT RESOLVED that the Chairman and or Vice/Chairman and/or Secretary/Treasurer be authorized to approve said invoices and issue checks in payment thereof; and

BE IT FURTHER RESOLVED that a listing of said invoices be submitted to the full membership for ratification at the next regularly scheduled meeting of the Authority.

RESOLUTION 17-10  
AUTHORIZING THE INVESTMENT OF IDLE FUNDS  
AND FUND TRANSFERS

WHEREAS, it is desirable that idle funds of the Lebanon Borough Sewerage Authority (LBSA) be invested in legal investment vehicles at all times; and

WHEREAS, it is occasionally necessary to transfer funds for the purpose of meeting current Authority expenses or for the purpose of effecting investment;

NOW, THEREFORE, BE IT RESOLVED by the Lebanon Borough Sewerage Authority in the County of Hunterdon and State of New Jersey, that it does hereby authorize the Secretary/Treasurer to request bids and to place orders for the investment of idle funds solely in legal authorized investment vehicles during the year 2017; and

BE IT FURTHER RESOLVED that the Secretary/Treasurer is hereby authorized to transfer funds solely for the purposes and subject to all pertinent regulations.

1. To or from LBSA checking or savings accounts to other LBSA accounts
2. To or from LBSA checking or savings accounts to or from specified banks or the State of New Jersey Cash Management Fund solely for the purpose of investing for the account of the LBSA.

RESOLUTION 17-11  
DESIGNATING REGULAR MEETING PLACE AND DATES,  
AND OFFICIAL NEWSPAPERS

WHEREAS, the Open Public Meetings Act requires that notice of meetings for the year be sent to a local newspaper for information purposes. Any changes in meeting dates, times or place shall be sent to the official newspaper at least 48 hours in advance of all such meetings.

NOW, THEREFORE, BE IT RESOLVED by the Lebanon Borough Sewerage Authority that:

1. The Lebanon Borough Sewerage Authority hereby adopts the first Thursday of each month as its regular meeting date, to be held at 7:30 PM, at the Boro Hall, 6 High Street, Lebanon NJ.
2. The Authority hereby designates the Hunterdon County Democrat as the official newspaper, with the Courier News and Hunterdon Review as alternate/additional official newspapers.

RESOLUTION 17-12  
PURCHASES UNDER \$1,000.00

WHEREAS, there regularly needs to be purchased office equipment or supplies:

NOW, THEREFORE, BE IT RESOLVED that Lebanon Borough Sewerage Authority personnel are authorized to purchase such equipment or supplies without prior Board approval for any item under \$1,000.00; and said purchases are to be confirmed at the next regular meeting of the Authority.

RESOLUTION 17-13  
BANK DEPOSITORIES

WHEREAS, it is desirable that idle funds of the Lebanon Borough Sewerage Authority be invested in legal vehicles at all times:

NOW, THEREFORE, BE IT RESOLVED by the Lebanon Borough Sewerage Authority in the County of Hunterdon, State of New Jersey that it does hereby approve the following depositories, contingent upon the bank being covered by the Government Unit Deposit Protection Act (GUDPA).

TD BANK  
UNITY BANK  
REGAL BANK  
PEAPACK & GLADSTONE BANK  
PNC BANK  
INVESTORS SAVING BANK  
NJ CASH MANAGEMENT FUND

RESOLUTION 17-14  
PUBLIC AGENCY COMPLIANCE OFFICER

WHEREAS, it is required by State Law that no public contract can be awarded until the prospective contractor has agreed to contract performance which complies with the approved Affirmative Action Plan; and

Whereas, the Lebanon Borough Sewerage Authority is required to annually designate a Public Agency Compliance Officer (PACO):

NOW, THEREFORE, BE IT RESOLVED that the Lebanon Borough Sewerage Authority does hereby designate Anita Weingart as Public Agency Compliance Officer for the year 2017.

**APPROVE JANUARY MINUTES**

Mr. Burton moved and Mr. Sahric seconded the motion to approve the January 2017 minutes. All Ayes: Motion Carried.

**RESOLUTION 17-15: 2017 SERVICE CHARGES AND CONNECETION FEES**

**Mr. Burton moved and Mr. Saharic seconded the motion to adopt the following Resolution 17-15.**

RESOLUTION 17-15  
2017 SERVICE CHARGES & CONNECTION/TAPPING FEES

WHEREAS, NJSA.40:14A-8 authorizes the Lebanon Borough Sewerage Authority (hereinafter "LBSA") to charge and collect rents, rates, fees or other charges (hereinafter "service charges") for the direct or indirect connection with, or the use or services of, the LBSA system; and

WHEREAS, such service charges may be charged to and collected from any person contracting for such connection or use or service of from the owner or occupant, or both of them, of any property which directly or indirectly is, or has been connected with the system, or from or on which originates, or has original sewage or other waste which directly or indirectly have entered or may enter the LBSA system, and the owner of any such property shall be liable and shall pay such service charges to the LBSA at the time and place as established by the Authority; and

WHEREAS, in addition to such periodic service charges, a separate charge in the nature of a connection fee or tapping fee, in respect to each connection of any property with the LBSA system may be imposed upon the owner or occupant of property so connected, and which charges shall be uniform and equivalent to the actual cost of physical connection, plus an amount computed to represent a fair payment toward the cost of the system,

which amount shall be sufficient to pay all expenses of the construction, operation and maintenance of the LBSA system, including reserves, insurance, extensions and replacements as from time to time may be necessary; and

WHEREAS. The members of the LBSA, in consultation with their Auditor, Engineer and Attorney have reviewed the LBSA records of the Authority and recomputed such service charges and connection fees to be applicable for the **2017** fiscal year of the Authority as more particularly is set forth in the attached "**2017** Schedule of Service and Other Charges"; and

WHEREAS, the Secretary of the LBSA has arranged for publication of notice of the proposed adjustment of service charges and other charges in at least two (2) newspapers of general circulation in the area serviced by the Authority, the said public hearing on 2<sup>nd</sup> of February, 2017 and a copy of such notice and the proposed "**2017** Schedule of Service and Other Charges" was served upon the Clerk of the Borough of Lebanon.

NOW, THEREFORE, BE IT RESOLVED, on this 2<sup>nd</sup> day February, **2017** by the Chairman and members of the Lebanon Borough Sewerage Authority as follows:

1. The LBSA has conducted a public hearing and with the assistance of the Authority Auditor and Engineer, provided evidence at the public hearing showing that the proposed adjustment of the service charges and other charges is necessary and reasonable; and providing those persons in attendance at the public hearing with an opportunity for questions and statements for the consideration of the LBSA; and a copy of the minutes of such public hearings are available upon request to any interested party.
2. Based upon the foregoing, the Lebanon Borough Sewerage Authority hereby adopts the "**2017** Schedule of Service and Other Charges" to be paid for services and for sewer service or use charges and connection fees for the fiscal year **2017** of the Authority commencing as of January 1st, **2017** through December 31<sup>st</sup>, **2017**.
3. A true copy of the "**2017** Schedule of Service and Other Charges" shall be kept on file at the office of the LBSA and shall be available for public inspection during normal business hours of the Authority.

ATTEST:

LEBANON BOROUGH SEWERAGE AUTHORITY

\_\_\_\_\_  
*Anita Weingart, Secretary*

\_\_\_\_\_  
By: Edward R. Cichone, Chairman

Certification:

I hereby certify that the foregoing is a true and accurate copy of a Resolution adopted by the Lebanon Borough Sewerage Authority at its meeting held on \_\_\_\_\_.

\_\_\_\_\_  
*Anita Weingart, LBSA Secretary*

### **2017 SCHEDULE OF SERVICE CHARGES**

The following Schedule of Service and Other Charges and Fees is hereby established for users of the Lebanon Borough Sewerage Authority system for the fiscal year **2017**:

These charges have been determined to be necessary in order to pay all expenses of the operation and maintenance of the Lebanon Borough Sewerage Authority system, including reserves, insurance, extensions, replacements, as well as principal and interest on any and all debt services and to maintain such reserves of

sinking funds therefore as may be deemed necessary or desirable by the Lebanon Borough Sewerage Authority.

**SEWER SERVICE OR USE CHARGE**

The annual Sewer Service or Use Charge shall be **\$426.00** per unit of measurement, payable in equal quarterly installments by March 30<sup>th</sup>, June 30<sup>th</sup>, September 30<sup>th</sup> and December 30<sup>th</sup> of each year, and in accordance with the Resolution of this Authority establishing the units of measurement on various types of uses being serviced or allocated by the Sewerage Authority.

**CONNECTION FEE**

A one-time Connection Fee shall be paid by those persons making application for connection to and receiving approval by the Lebanon Borough Sewerage Authority of an allocation of sewerage capacity during the fiscal year **2017**. The amount of the Connection Fee shall be **\$3,082.56** per unit as defined in the Unit of Measurement Resolution #10-2004 previously adopted by the LBSA. Thereafter, in addition to the Connection Fee the approved party shall commence paying the annual Sewer Service Charge beginning with the quarter next following execution of the Contribution, Allocation and Service Agreement with the user.

**GREASE TRAP INSPECTION FEE**

An Annual Fee of \$50.00 per applicable business use on a property will be added to the properties' annual sewer service payment; and payable in quarterly installments by the property owner. The Annual Grease Trap Inspection is mandatory and reference can be made to the LBSA Operations & Maintenance Manual and the Policy & Procedure Manual.

Adopted at the meeting of \_\_\_\_\_

**RESOLUTION 17-16: CLOSED SESSION CONTRACTUAL ISSUES**

Mr. Burton moved and Mr. Crawford seconded the motion to enter Executive session.

**CLOSE EXECUTIVE SESSION, ENTER INTO PUBLIC SESSION**

Mr. Burton moved and Mr. Crawford seconded the motion to go into Public session.

**RESOLUTION 17-17: SALARY SCHEDULE**

The following salary schedule is hereby approved for the year 2017.

Anita Weingart, Secretary/Treasurer	\$ 26,210.00
& Mobile Phone allowance	\$ 1,200.00

**Mr. Burton moved and Mr. Saharic seconded the motion to adopt Resolution 17-17. Roll Call Vote: All Ayes: Motion Carried.**

**RESOLUTION 17-03: PRIOR AUDIT RECOMMENDATIONS**

**Corrective Action Plan**

**WHEREAS**, The 2015 audit report of the Lebanon Borough Sewerage Authority found an overall lack of segregation of duties in the accounting control process and recommended a Correction Action Plan be undertaken; and

**WHEREAS**, The Lebanon Borough Sewerage Authority implemented a Corrective Action Plan which outlines the actions to be taken to correct the audit findings in accordance with Federal and State requirements; and

**WHEREAS**, a copy of the plan was placed on file and is available to the public for inspection in the office of the Lebanon Borough Sewerage Authority.

**NOW, THEREFORE, BE IT RESOLVED** by the Chairman and Commissioners of the Lebanon Borough Sewerage Authority, on this 2nd day of February 2017, that as a result of the prior audit recommendations, the Authority has taken steps and has implemented compensating controls, and continues to consider risk assessments as it relates to the financial reporting process; and

**BE IT FURTHER RESOLVED**, that the responsible staff person, is the secretary/treasurer of the Authority, under the guidance and direction of the Authority Commissioners; and

**BE IT FURTHER RESOLVED**, that there is no completion date, as such compensating controls and risk assessment shall continue on an on-going basis.

**Mr. Saharic moved and Mr. Crawford seconded the motion to adopt Resolution 17-03. Roll Call Vote: All Ayes: Motion carried.**

**RESOLUTION 17:18 CLOSE ESCROW GLADSTONE EQUITIES, LLC**

ON HOLD

**ENGINEER’S REPORT**

Mr. Hill’s report is on file.

Three bids were sent for emergency response. Mr. Hill will have those ready for the next meeting. Easement clearing proposal by Mr. Hill, is in progress. The easement bid is for 3 different sections itemized. Mr. Hill is trying to work with the Boro to coordinate clearings for shared services to share the cost.

I&I – 2 internal grouting repairs were completed.

Zone 3 manhole inspections almost complete.

Mr. Hill is working on the Master Capacity spreadsheet with regards to COAH.

Gladstone Equities – Mr. Hill gave a summary of the sewer service capacity. Mr. Hill recommended that LBSA mail them a letter regarding the fact that even though they were approved for additional sewer, they have not come in to update their sewer service agreement to reflect any additional capacity. This property has a multi-use approval from Planning Board. It is not clear at this time if it is reserved or to be returned.

Secretary will work with Mr. Novak to send a letter to Gladstone Equities regarding capacity and keeping the escrow account open until the PB resolution and capacity is resolved.

Mr. Hill requested the denial letter from the Freeholders with regard to the heat tape repair on Cokesbury Rd.

**EXPENDITURES**

Mr. Burton moved and Mr. Crawford seconded the motion to approve February expenditures as listed below Roll Call Vote: All Ayes: Motion Carried.

<u>GENERAL ACCT:</u>			<b>FEBRUARY 2017</b>
17-017	PAYROLL ACCT	PAYROLL	\$2,407.76
17-018	RLSA LEBANON	WATER TREATMENT	\$26,037.75
17-019	BOROUGH	LEASE	\$1,300.00

17-020	JCP&L ONE CALL	HEAT TAPE	\$26.83
17-021	CONCEPTS	INV# 6125370	\$5.00
17-022	ALPHADOG BUZAK LAW	INV# 23524	\$600.00
17-023	GROUP	BILLING 11/21/16-12/20/16 2017 BUDGET HEARINGS & RATES &	\$1,000.00
17-024	COURIER NEWS NJ ADVANCE	CONNECTION FEE 2017 BUDGET HEARINGS & RATES &	\$85.05
17-025	MEDIA	CONNECTION FEE	\$28.68
17-026	R&L DATACENTERS CONSUMER	PAYROLL SERVICES	\$96.50
17-027	CELLULAR	HEAT TAPE CELL PHONE RENEWAL, RENEWAL WC & BOND	\$20.58
17-028	SASCO INSURANCE NOVAK & NOVAK	RENEWAL	\$6,330.00
17-029	LAW FREY	FEB RETAINER	\$3,468.30
17-030	ENGINEERING	INV# 5236, 5238, 5237	\$10,111.67
17-031	BANK FEE	DEPOSIT SCANNER	\$75.00
<b>TOTAL</b>			<b>\$51,593.12</b>

ESCROW ACCT:

GLADSTONE EQUITIES, LLC	GLADSTONE EQUITIES, LLC	CLOSE ESCROW	\$1,141.75
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**TOTAL                    1,141.75**

**FINANCIAL REPORTS**

Mrs. Burton moved and Mr.Crawford seconded the motion to acknowledge the reports. Roll Call  
Vote: All Ayes: Motion Carried.

**RLSA**

The shared driveway with Quick Check proposal was denied.

**MISC**

Mr. Saharic suggested we plan a tour of RLSA in the Spring.

**PUBLIC COMMENTS**

There were no public comments.

**ADJOURN**

Mr. Burton moved and Mr. Saharic seconded the motion to adjourn the meeting. All Ayes:  
Motion Carried.

Respectfully submitted by,

*Anita Weingart,*

Secretary/Treasurer

CERTIFICATION: I hereby certify these to be true and correct copies of minutes as approved by  
the Commissioners at the meeting of \_\_\_\_\_.

\_\_\_\_\_

Anita Weingart, Secretary/Treasurer